This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 02 NEW DELHI 007874

SIPDIS

E.O. 12958: N/A
TAGS: PREL ENRG IN PK INDO PAK

SUBJECT: BAGLIHAR DAM: NEUTRAL EXPERT VISITS SITE, WILL

ISSUE FULL REPORT

REF: A. NEW DELHI 3745

1B. NEW DELHI 3213

11. (U) Summary: World Bank-appointed Neutral Expert Dr. Raymond Lafitte today completed his tour and consultations on the controversial Baglihar Dam; he gave the GOI a preliminary read-out and will file a comprehensive report by October 21. The process, under the auspices of the World Bank-brokered 1960 Indus Water Treaty (IWT), will continue at least until mid-January. New Delhi's message continues to be that (1) "We are in the right," and (2) "We will abide by whatever decision is reached under the process spelled out under the IWT." This issue remains an irritant in Indo-Pak relations, but is currently only a small blip on New Delhi's radar because the institutions are working as expected to arbitrate the dispute. End Summary.

Site Visit Complete

12. (U) According to press reports, Lafitte and his two colleagues spent three days at the Baglihar Dam site on the Chenab River in Chanderkote (Doda District), including the area behind the dam that would be flooded after the dam begins operations. He and his team were accompanied by six Pakistani and four Indian officials. In addition to inspecting the site itself and interviewing engineers working on the project, the delegations viewed a 1:60 scale "running model" of the dam constructed by the Irrigation Research Institute. The 200-meter large model is powered by the Ganga Canal and reportedly allows observers to note the water's behavior as it runs through the sluices, intake points, channels, and reservoirs. New Delhi's argument is that the five sluice gates and three chute spillways in the design specification are necessary to flush out silt, while Islamabad's position is that the spillways would allow India to control the flow of water, including withholding or causing a flood. (NOTE: The Salal Dam, which is downriver from the Baglihar site, suffers from significant silt accumulation. End Note.)

Next Steps

13. (U) With the site visit complete, Lafitte will today (Friday) in Delhi brief GOI and GOP officials on his initial assessment. He will then prepare a comprehensive report which he will submit to the World Bank by October 21. The report will be a key element in a hearing on the Baglihar project set to begin in mid-January. A bilateral agreement between the two sides would pre-empt the process moving forward, but the GOI appears willing to let the process play itself out. When asked by reporters how the process would impact Indo-Pak relations, Lafitte deftly sidestepped the issue by responding "I am not a politician."

GOI Still Convinced They're Right

14. (U) The GOI remains convinced they will win their case before the Neutral Expert (Reftels). Most recently, Water Minister Priya Ranjan Dasmunsi told reporters this week that she was confident the process was heading in the right direction for India. However, we continue to receive assurances from the MEA that the GOI will abide by whatever result emerges from the IWT process.

Comment: The Process is Working

15. (U) Baglihar is a blip on the Indian energy radar so far. The 450 MegaWatt hydro project would add only 1.5% India,s present total of 31,745 MW of hydro and less than 0.5% to total 122,275 MW of power generation capacity, while the GOI is also pushing expansion of nuclear, gas-fired, and coal-fired power production. The dam's place in J&K politics has been sidelined by the Delhi-Srinagar dialogue; its position in Indo-Pak affairs is crowded by the Composite Dialogue, the Joint Commission to expand economic ties, and VIP and people-to-people exchanges. The Indians believe firmly they are in the right, and are playing by the rules in a transparent arbitration process because they have faith the institution will confirm their assertions. Embassy will follow up with GOI interlocutors the week of October 11 to seek their readout of the Lafitte visit.

16. (U) Visit New Delhi's Classified Website:
(http://www.state.sgov.gov/p/sa/newdelhi/)
Mulford